



GOVERNOR ARNOLD SCHWARZENEGGER

July 16, 2007

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Madame Speaker,

As one Californian to another, I ask that you consider additional funding for the reauthorization of the 2007 Farm Bill. A fully funded farm bill benefits both urban and rural California, from the City of San Francisco to the farms of the San Joaquin Valley. It provides nutritional programs to our low-income communities; makes possible improvements to our air and water quality; restores wildlife habitat; and invests in research for invasive pest prevention and enhanced food safety practices.

As the situation stands, California does not receive its fair share of funding from the farm bill. Our great State is by far the premier agricultural producing state in the country, producing 59 percent more agricultural goods than the second largest, Texas. Yet despite being the largest producer of agriculture and providing 50 percent of the nation's food supply, we ranked eleventh in 2002 farm bill funding. You have a perfect opportunity to increase California's share of the farm bill and thereby invest in our nation's overall agricultural supplies.

Let me offer you two examples of the inequities of the current farm bill. If Fresno County were a state, it would rank 27th in the U.S. in agricultural production. Fresno outproduces 24 states, including North Dakota, which received more than 13 times as much in subsidies. Also, Monterey County, known as the "Salad Bowl of the World," outproduces seven states combined, but those states received eight times more in 2005 subsidies. Those are gaps that must be closed.

It is critical that the 2007 farm bill reflects California's commitment to improving our environment. The House Agriculture Committee's current farm bill markup, while containing many laudable provisions, falls short of fulfilling this commitment. Each of the programs in the conservation title must be reauthorized and improved through increased funding and policy changes.

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There are a few specific areas to which I must draw your attention. Conservation is a vital issue to California. The State receives a large portion of farm bill funds from the Environmental Quality Incentives Program (EQIP). But statewide needs far exceed funding, causing literally hundreds of contracts totaling millions of dollars to be deferred annually. I urge your support of Representative Cardoza's amendment that targets \$300 million from the total EQIP funding level for farmers and ranchers in air quality non-attainment areas. As you may know, I recently asked the California Air Resources Board to reconsider its decision on the State Implementation Plan related to ozone attainment for the San Joaquin Valley – a region which suffers the worst air quality in the country. This funding could greatly speed up attainment in this region.

Also, the Grasslands Reserve Program should be authorized at the 5 million-acre level. New funds should also be made available to the Farm and Ranch Land Protection Program, the new Regional Water Enhancement Program, the Conservation Security Program and Wildlife Habitat Incentives Program, all of which could have a tremendously positive impact on California.

To prepare for our future, the 2007 farm bill must invest in renewable fuels. In California, biomass resources that are potential fuel sources are largely byproducts of agriculture production and forest management. These resources remain largely untapped because investments in technologies to harness green waste have not been economically available. Of highest importance are investments in advanced biomass production, cellulosic ethanol from agricultural green wastes and forest residuals and biofuel processing facilities. Opportunities include increased funding for the Renewable Energy and Energy Efficiency Improvements Program and the inclusion of the Forest Bioenergy Research/Forest Biomass for Energy Program.

Consumers expect an abundant and affordable supply of specialty crops, and California has long been a major supplier, growing more than 50 percent of the nation's fruits, nuts and vegetables. I support increasing funding and creating a permanent allocation for the Specialty Crop Block Grants. In developing criteria for allocations of block grant funding to states, caps on state allocations should be eliminated, and allocations should be based on specialty crop production formulas. The U.S. specialty crops industry now accounts for more than half of U.S. farm gate value (the value of all products after they leave the farm) and represents 99 percent of the farm gate value in California. Funding for specialty crops should not come at the expense of the traditional safety net programs that have been put in place to assist the individual farmers.

The farm bill is critically important for low-income families who are often at higher risk due to poor nutritional habits and less access to healthier foods including fresh fruits and vegetables. Nutrition policies that allow states to use modern and scientifically sound, consumer-driven approaches to educate more Food Stamp-eligible populations will improve nutrition outcomes and lower per-person costs within the program. Also, the expansion of highly successful initiatives such as the Fruit and Vegetable Snack Program and expanding the reach of farmer's markets into low-income areas will help promote the achievement of the Dietary Guideline for Americans.

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The farm bill is really about what we invest in our health, our communities and our environment. Like all investments, it is best made by beginning with the end in mind. A successful farm bill begins with the vision of healthy people, a thriving environment and a robust agricultural sector. We cannot do this without your leadership and vision in helping drive a bolder, stronger, healthier farm bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Arnold Schwarzenegger", written over the word "Sincerely,".

cc: The Honorable Collin Peterson, Chairman, House Agriculture Committee
The Honorable Bob Goodlatte, Ranking Member, House Agriculture Committee
The Honorable Joe Baca
The Honorable Dennis Cardoza
The Honorable Jim Costa
The Honorable Kevin McCarthy